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EDITORS: Please consider the following column from Gov. Dennis Daugaard:

Economic Development in Small Towns

Last week, I attended the Eureka Community Development Company's 25th Anniversary. I applaud them for a quarter century of proactive development. The celebration also provided an opportunity to redouble my focus on creating jobs and economic development in our small towns. We are set to engage these goals by improving our MicroLOAN program, adding flexibility to our Community Development Block Grants, and developing a 'small town specialist' program within the Governor's Office of Economic Development. Each of these initiatives will give small towns more tools to attract, expand and keep businesses.

The MicroLOAN program provides loans for small businesses for project costs like equipment and real estate, and also for working capital, inventories and supplies. The program joins with a community bank in providing loans. While it is a great program, I believe we can make it better. We intend to streamline the approval process. We trust the community banks to know their customers and make good decisions. We don't need to add another layer of bureaucracy to confirm what a community bank has already decided. We will also look to preserve the active businesses in towns by emphasizing loans to aid the sale of small businesses. Our loans for working capital allow small town grocery and hardware stores to move to new owners who might otherwise find the inventories to be overly burdensome on the front end. The MicroLOAN program is a great one for small-town South Dakota, and we will make it even more effective.

As we work with local community leaders to identify projects that will attract new businesses and residents to their communities, the state must ensure that it has the flexibility to meet the needs of each community. The Community Development Block Grant program (CDBG) was created to allow the state to make targeted investments in improving our communities. In recent years, these grants have been used for very limited purposes. Those projects are important, but we must ensure that CDBG is flexible so that it can help our communities develop infrastructure, improve quality of life, and meet their development goals.

Finally, we will work with local and regional economic development organizations and business leaders to create a small-town specialist program. This program will assist local community leaders by providing them with the tools and resources to create plans and goals, retain and expand current businesses, and promote themselves to potential businesses. In a world where communication and transportation become easier and more affordable every day, more people can make choices to live and work in small towns. We need to make sure businesses as well as

community members are aware of the opportunities small-town South Dakota has to offer. Our small-town specialist program will send that message loud and clear.

South Dakota's small towns are a crucial part of our state's economy. They provide a wonderful quality of life and have much to offer businesses and residents. I am committed to providing small towns with the tools they need to succeed.